

Financial Audit Policy

1. Policy Objective

1. To set forth the City's policy regarding the audit requirements and frequency of a City financial audit.
2. To provide guidance on what is required by the City for the annual financial audit to comply with [Idaho and City Code](#).

2. Policy Details

1. Annual Financial Audit

- a. City will have a Financial Audit performed annually by an independent audit firm for all City financial transactions in a timely manner adhering to Idaho Code Section [67-450B](#).

2. Financial Audit Report

- a. The independent audit firm must submit to the City Council an official Financial Audit report detailing the results of the annual financial audit for all financial transactions.
- b. City must provide the State, citizens, and community partners an annual Financial Audit report for all financial transactions no later than eight (8) months following the close of the fiscal year.
- c. City will submit the Financial Audit report to the State adhering to Idaho Code Section [67-450B](#).

3. Financial Auditor Selection

- a. City will consider the solicitation of competitive proposals for annual financial services at least every seven (7) years following the City's purchasing policy.

3. Policy Roles and Responsibilities

1. Finance department will be responsible for establishing an annual contract at the direction of the City Council for audit services to be conducted by an independent audit firm for the completion of an annual financial audit on all financial transactions (Financial Audit).
2. Finance department will be responsible for soliciting Financial Audit services following City and State policy/law.
3. City Council is responsible to have a complete and thorough Financial Audit of the City as set out in [Idaho Code](#).
4. Finance department will be responsible for the facilitation of soliciting competitive proposals for Financial Audit services following City [Purchasing Policy](#) guidelines.

4. General Purpose Statement

The City of Meridian (City) has an important responsibility to its citizens to carefully account for public funds, manage municipal finances wisely and transparently, manage growth, plan for adequate funding necessary for future maintenance, and development within the City.

The financial management policies of the City are designed to establish guidelines for the fiscal stability of the City. The scope of the financial management policies of the City generally spans, among other issues, accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control, asset management, procurement, and debt management, in order to:

- a. demonstrate to the citizens of Meridian, the investment community, and community partners that the City is committed to a strong fiscal operation;
- b. provide precedents for future policy-makers and financial managers on common financial goals and strategies;
- c. present fairly, transparently, and with full disclosure the financial position and results of the financial operations of the City in conformity to Generally Accepted Accounting Principles (GAAP); and

- d. determine and demonstrate compliance with finance-related legal and contractual issues in accordance with provisions of the State of Idaho Government Code and other pertinent legal documents and mandates.

5. Policy Approval

Approval Date - 12/20/2019

Ordinance Number - 19-1866

Governance Body : Finance Department - Chief Financial Officer/City Treasurer